

**NEW JERSEY DEPARTMENT OF HEALTH
WIC SERVICES**

POLICY AND PROCEDURE MANUAL

Policy & Procedure Number: 1.35

Effective Date: April 24, 2024

Functional Area: I. VENDOR MANAGEMENT

Subject: Competitive Price Selection Criteria

A. POLICY:

1. The State Agency (SA) shall collect and monitor shelf prices for all vendors upon initial authorization and during the triennial authorization period.
2. The SA evaluates all authorized vendors for Price Competitiveness at the end of each calendar quarter using a data analytical software. The software produces a report (Tableau Average prices for top 10 items) of redemption dollars for 10 of the most purchased WIC food subcategories for the prior quarter, all required per the minimum stock requirements (see 1.31-B NJ Vendor WIC Vendor Minimum Stock Requirements).
3. The SA shall compare the shelf prices of the vendor applicant's online Commodity Price List (CPL) Survey to the prices charged by other comparable authorized vendors. The online CPL Survey is a list of shelf prices submitted by the vendor during the initial and reauthorization period and/or as requested (see [New Jersey WIC Program - Online Commodity Price List Survey \(nj.gov\)](#)). This survey is analyzed to ensure that vendor applicant's prices are competitive amongst their peer group (see 1.34 Vendor Peer Group System and 1.34-A Description of Vendor Peer Group System).
4. The SA must establish a vendor peer group system and distinct competitive price criteria and allowable reimbursement levels for each peer group (see 1.31-H/I Vendor Agreement, Vendor Selection Criteria).
5. The SA's WIC Electronic Benefits Transfer (EBT) system gathers cost/requested redemption at the Universal Product Code (UPC) level for every product purchased with eWIC benefits. As a result, the SA utilizes extensive pricing data and Not to Exceed (NTE) levels available daily to ensure cost containment.
6. The SA must establish procedures to ensure that a vendor selected for participation in the program does not, subsequent to selection, increase prices to levels that would make the vendor ineligible for authorization (see 1.31-H/I Vendor Agreement, Vendor Selection Criteria).

B. PROCEDURE:

1. Online CPL Survey

- a. The SA shall maintain an online system for vendors to enter their shelf prices during initial and triennial authorization. The online CPL will require shelf prices for specific food items from minimum stock requirements and infant formulas.

- b. Vendors can access the online system by following the link provided by the SA within the WIC application (see [New Jersey WIC Program - Online Commodity Price List Survey \(nj.gov\)](#)). This link will be available during the timeframe indicated in the notification. The vendor must complete the CPL by the specified deadline (see 1.31-G Commodity Price List Survey (Price Survey) Cover Letter).
 - i. The Vendor must provide shelf prices for the store brand and national brand names, sizes, and prices that are carried in the store location for all categories as they appear. Prices must be reasonable and comparable to the prices of other stores of similar size and type in the same area.

2. Determining Competitive Price and Competitive Price Selection Criteria

- a. [REDACTED]

- b. [REDACTED]

3. Determining Average and Not to Exceed (NTE) Prices

- a. [REDACTED]

- b. [REDACTED]

- c. Interested retailer's shelf prices are collected by way of the Online CPL Survey(see 1.31-G Commodity Price List Survey (Price Survey)) and are compared against redemptions of current vendors from the new store's Vendor Peer Group.

- d. EBT redemptions are paid up to the NTE level. NTE amounts adjust for market

changes through collection and analysis of UPC level redemption data to ensure vendors remain competitive. The SA's Management Information System (MIS) automatically calculates NTE level adjustments weekly.

e.



Attachment(s):

- 1.31B NJ Vendor WIC Vendor Minimum Stock Requirements
- 1.31G Commodity Price List Survey (Price Survey) Cover Letter
- 1.31H/I Vendor Agreement, Vendor Selection Criteria
- 1.31R Online Commodity Price List Survey
- 1.34A Description of Vendor Peer Group System
- P&P 1.34 Vendor Peer Group System